



## LODGE AT LIONSHEAD

### **LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION ANNUAL HOMEOWNERS MEETING MINUTES June 26, 2021**

Association President, Bill Palmer called the Annual Meeting to order at 3:03 pm, on Saturday, June 26, 2021. This meeting was held virtually, via Zoom. Homeowners present were Mike Steele Unit #103, Rob Russo Unit #104, Cathy Nigro #203, Bill and Jean Ann Palmer #207, Will Thompson #302, Jim Mueller #405, Stuart and Deb Spencer #406, Also attending were Mike Sherven of McMahan and Associates, auditor and Jeff Bailey, Ryan Sommers and Joy Dunham of East West Hospitality.

Presence of a quorum was established with 12 of 18 units (67.57%) represented in person or by proxy.

Notice of Meeting was reviewed.

The minutes of the September 26, 2020, Annual Homeowners meeting were reviewed. **A motion was made by Jim Mueller to approve the minutes as presented. Motion was seconded and passed unanimously.**

#### **Financial Report.**

Mike Sherven of McMahan and Associates reviewed the Financial Statements. Mike reviewed with owners the Balance Sheet, Statement of Revenue and Expenses, Operating and Replacement Fund Budget to Actual Statements. Mike pointed out specifically in the financial notes the Association's assignment of the management agreement to East West Hospitality.

**A Motion was made by Will Thompson to approve the Financial Report. Motion was seconded and passed unanimously.**

Mike presented to the meeting (2) tax resolutions:

1. **Capital contributions.** RESOLVED that amounts collected by or paid to the Association for Capital Replacement purposes for the fiscal year ended April 30, 2021, shall be set aside for future major repairs and replacements and allocated to capital components as provided by the guidelines established by IRC Section 118 and Revenue Rulings 75-370 and 75-371. Such amounts shall be deposited into a separate account. Any amounts so added to replacement funds shall be allocated to the various components at the discretion of the Board of Directors.
2. **Excess income applied towards subsequent year's expenditures.** RESOLVED, that excess membership income over membership expense collected by or paid to the Association for the year ended April 30, 2021, shall not be directly refunded to owners, but shall be applied against subsequent tax year member assessments as provided by IRS Revenue Ruling 70-604.

**A Motion was made by Jim Mueller to approve both tax resolutions. Motion was seconded and passed unanimously.**

Management presented an Operating Budget Explanation Report and the Operating Budget FYE 4/30/2022. **(Attached)** The Board approved budget is: \$238,674, which represents an 8% increase over the prior year. Management explained that the majority of the budget increase was driven by the major winter weather event of February 2021 and it's impacts to the Associations wholesale natural gas accounts. The significant overage of approximately \$29,000 will be paid back in installment payments by the LAL I & II Associations over 14 months. After discussion, a **Motion was made by Cathy Nigro to approve the Proposed Operating Budget as presented. Motion seconded and passed unanimously.**

Mike Sherven departed the meeting.

Management presented a letter from the Association's insurance Broker's reviewing the coverage provided by the Association policy and what coverage each owner should carry individually.

### **Old Business**

Management reviewed the Capital Replacement Project expenses FYE 4/30/21. Expenses totaled \$88,754. A \$355,142 replacement fund balance was carried forward in the Association's replacement fund. **(Attached)**

### **New Business.**

Management reviewed with Ownership the proposed Capital Replacement Projects and assessment level FYE 4/30/2022. After discussion, **Motion made by Stuart Spencer to approve the projects presented. Total project budget of \$95,000. The replacement fund assessment level of \$78,000 to remain same. Motion seconded and passed unanimously.** Attached.

### **Ratify Board of Directors Actions**

**Motion made by Mike Steele to ratify the actions of the Board of Directors FYE 4/30/2021. Motion seconded and passed unanimously.**

### **Elections**

Management reported to ownership that the Association By-Laws call for staggered two-year Board of Director terms. There are three Board positions up for election this year. The By-Laws require advance notice of intent to run for the Board. Bill Palmer, Jim Mueller and Mike Hauck expressed their intent, in advance and in writing, to run for election. There were no other nominations received from ownership. **A Motion was made by Will Thompson to elect Bill, Jim and Mike for the open Board of Director positions for two-year terms. Motion was seconded and passed unanimously.**

Current Board of Directors are Bill Palmer, Mike Hauck, Jim Mueller, Will Thompson and Cathy Nigro.

The next Annual Homeowners meeting will be held on Saturday, July 2, 2022 at 3:00 pm.

**Motion made by Rob Russo to adjourn the meeting at 3:44 pm. Motion was seconded and passed unanimously.**

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION  
PROPOSED OPERATING BUDGET  
FOR YEAR ENDING APRIL 30, 2022**

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	<b>2021 BUDGET</b>	<b>2021 ACTUAL</b>	<b>2022 PROPOSED</b>
<b>REVENUE</b>			
Assessments	220,026	220,026	238,674
<b>TOTAL REVENUES</b>	<b>220,026</b>	<b>220,026</b>	<b>238,674</b>
<b>EXPENSES</b>			
Trash and Recycle Service	4,000	3,264	3,500
Snow Removal	2,500	1,906	2,000
Landscape	11,500	10,930	11,000
Office Expenses	950	697	700
Management Fee	35,006	35,006	35,006
Insurance	20,770	20,171	21,700
Pool Maintenance	6,000	8,035	7,000
Building Maintenance	16,000	19,433	18,000
Water and Sewer	12,250	14,644	14,000
Gas-Pool, Site & Drive	11,500	13,561	20,500
Gas - House	10,000	9,041	15,000
Electricity	16,000	14,879	16,000
Common Area Cleaning	8,500	11,566	10,500
Maintenance Man	29,500	28,503	29,500
Management office Expense C-3	5,800	4,324	5,000
Employee Housing Expense #290	2,500	1,893	2,200
Professional Fees - Accounting	4,200	4,618	4,500
Annual Meeting Expense	1,800	0	0
Comcast Cable, Phone & Internet	18,000	19,133	19,818
Professional Fees - Legal	250	0	250
Fire Protection Systems Test and	3,000	1,755	2,500
<b>TOTAL EXPENSES</b>	<b>220,026</b>	<b>223,359</b>	<b>238,674</b>

**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION**  
**CAPITAL REPLACEMENT PROJECTS COMPLETED**  
**YEAR ENDING APRIL 30, 2021**

<b>REVENUES</b>	
Beginning Balance	\$ 358,833
Quarterly Assessments	78,000
Interest	7,063
<b>TOTAL REVENUES</b>	<b>\$ 443,896</b>
<b>EXPENSE CATEGORIES</b>	
Mechanical Systems	53,084
Exterior Staining	11,504
Pool & Spa Systems	7,274
Electrical	5,486
Misc. Tools & Equipment	1,711
Project Mgmt & Supervision Fee - 2020	7,835
Tax/ Interest	1,860
<b>TOTAL EXPENSES</b>	<b>\$ 88,754</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 355,142</b>

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**LODGE AT LIONSHEAD I CONDOMINIUM ASSOCIATION  
CAPITAL REPLACEMENT PROJECTS PROPOSED  
YEAR ENDING APRIL 30, 2022**

<b>REVENUE</b>	
Beginning Balance	\$ 355,141
Quarterly Assessments	78,000
Interest	5,000
<b>TOTAL REVENUE</b>	<b>\$ 438,141</b>
<b>EXPENSES CATEGORIES</b>	
	<b>COST ESTIMATE</b>
Exterior Paint & Stain	\$ 35,000
Pool & Spa Replaster	30,000
Exterior Pavers	
Driveway	5,000
Walkway	6,000
Mechanical Engineering	4,000
Mechanical Systems	5,000
Pool & Spa Systems	2,500
Fire Sprinkler System	2,500
Contingency	5,000
<b>TOTAL ANTICIPATED EXPENSES</b>	<b>\$ 95,000</b>
<b>ANTICIPATED ENDING FUND BALANCE</b>	<b>\$ 343,141</b>